**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**INCOME TAX REFERENCE NO.144 OF 1996**

Merind Ltd. ..Applicant.

V/s.

The Commissioner of Income-tax ..Respondent.

Mr.Balkrishna i/b. Crawfard Bayley & Co. for applicant.
Mr.A.S.Rao for respondent.

**CORAM : V.C. DAGA AND**
**J.P.DEVADHAR, JJ.**

**DATED : 4TH APRIL, 2005.**

**P.C. :-**

1. Heard the learned counsel for the applicant. The Tribunal has referred the question for the opinion of this Court reading as under :-

> "Whether, on the facts and in the circumstances of the case, the Tribunal erred in holding that the reimbursement of medical expenses to employees will fell for disallowance under the provisions of section 40-A(5) ?"

2. The above question has already been answered by the Judgment of the Apex Court in the case of **C.I.T. V/s. Mafatlal Gangabhai and Co.(P) Ltd. [(1996) 219 I.T.R. 644]** in favour of the revenue and against the assessee. In this view of the matter, question stands answered accordingly for the reasons stated in the case of Mafatlal Gangabhai & Co.(P.) Ltd. Reference, accordingly stands disposed of with no order as to costs.

**(V.C. DAGA, J.)**

**(J.P.DEVADHAR, J.)**